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## FISCAL IMPACT REPORT

SPONSOR: Coll DATE TYPED: 01/29/03 HB 7

SHORT TITLE: General Appropriation Act of 2003 SB \_\_\_\_\_

ANALYST: Fernandez

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
42,277.3	3,988,743.5			Recurring	General Fund
10,922.9	1,739,096.7			Recurring	Other State Funds
	847,046.3			Recurring	Internal Service Funds/Inter-agency Transfers
148,346.6	3,447,285.0			Recurring	Federal Funds
26,140.0				Nonrecurring	General Fund
11,775.6				Nonrecurring	Other State Funds
109,774.1				Nonrecurring	Federal Funds

(Parenthesis ( ) Indicate Expenditure Decreases)

Conflicts with House Bill 2 and Duplicates Senate Bill 2

### SOURCES OF INFORMATION

LFC Files

### SUMMARY

#### Synopsis of Bill

House Bill 7 represents the Legislative Finance Committee recommendation for funding the FY04 recurring operations of state government. It appropriates general fund, other state funds, internal service funds/interagency transfers and federal funds for the operation of state agencies, higher education and public school support. The bill includes funding for 21,063.10 permanent, 2,770.6 term and 187.5 temporary employees for a total of 24,021.20 employees. See the fiscal implications sec-

tion of this report for the breakout of appropriations between recurring and nonrecurring funding sources.

1. Section 4, Fiscal Year 2004 Appropriations (pages 5 through 198). This section provides funding for state agencies, higher education and public school support. See **Attachment A** for general fund appropriations by agency.
2. Section 5 Special Appropriations (pages 199 through 201); Section 6, Supplemental and Deficiency Appropriations (pages 201 through 202); Section 7, Data Processing Appropriations (pages 202 through 205); and Section 8, Compensation Appropriations (pages 205 through 207). Please see **Attachment B** for specifics.
  - Section 5 appropriates money for expenditure in FY03 and FY04 for various special purposes.
  - Section 6 appropriates money for expenditure in FY03 to make up shortfalls in FY02 and projected shortfalls in FY03.
  - Section 7 appropriates money for expenditures in FY03 and FY04 for major information technology projects.
  - Section 8 appropriates money for a 2 percent salary increase for legislative, judicial, district attorneys and other public employees, effective January 2004. Section 8 also appropriates a 2 percent salary increase for higher education faculty and staff effective July 2003. (Under Section 4, Public School Support, the state equalization guarantee contains sufficient funds to provide a 2.5 percent salary increase for teachers and a 2 percent salary increase for all other public school employees, effective July 2003.)

### Significant Issues

General fund operating appropriations for most legislative agencies are contained in House Bill 1, the Feed Bill.

Supplemental budget adjustment authority for FY03 or budget adjustment authority for FY04, usually included in the General Appropriation Act, is not included in this introduced version. It is expected that such authority will be included in future substitutes or amendments of this bill.

### **FISCAL IMPLICATIONS**

The appropriations contained in this bill can be summarized as follows:

Agency	General Fund	Other State Funds	Internal Service Funds/ Operating Transfers	Federal Funds	Total
<b>SECTION 4 FY04 Operating Recurring:</b>					
Legislative	3,399.9				3,399.9
Judicial	132,813.5	12,532.1	5,143.9	5,213.2	155,702.7
General Control	133,754.0	220,539.2	533,119.2	22,898.0	910,310.4
Commerce & Industry	44,691.4	40,720.6	6,491.0	550.3	92,453.3
Agric., Enrgy & Ntrl Rsrcls	58,496.2	41,142.6	46,164.6	20,242.2	166,045.6
Hlth, Hspitls & Human Srvcs	845,341.8	177,783.0	206,528.6	2,288,614.5	3,518,267.9
Public Safety	276,858.3	19,191.4	12,509.0	26,276.0	334,834.7
Transportation	-	332,047.4	-	303,267.8	635,315.2
Other Education	20,183.0	27,081.1	2,507.5	29,519.7	79,291.3
Higher Education	615,634.3	866,059.3	34,582.5	450,703.3	1,966,979.4
Public School Support	1,857,571.1	2,000.0	-	300,000.0	2,159,571.1
<b>Total</b>	<b>3,988,743.5</b>	<b>1,739,096.7</b>	<b>847,046.3</b>	<b>3,447,285.0</b>	<b>10,022,171.5</b>
<b>Recurring:</b>					
<b>SECTIONS 5, 6, 7 and 8</b>					
Special	10,550.0	1,752.3			12,302.3
Supplemental & Deficiency	13,569.1	9,170.6		148,346.6	171,086.3
Compensation	18,158.2				18,158.2
<b>Total Recurring</b>	<b>42,277.3</b>	<b>10,922.9</b>	<b>-</b>	<b>148,346.6</b>	<b>201,546.8</b>
<b>Nonrecurring:</b>					
<b>SECTIONS 5, 6, 7 and 8</b>					
Special	500.0	2,477.4			2,977.4
Supplemental & Deficiency	25,640.0	1,998.2		72,615.3	100,253.5
Data Processing		7,300.0		37,158.8	44,458.8
<b>Total Nonrecurring</b>	<b>26,140.0</b>	<b>11,775.6</b>	<b>-</b>	<b>109,774.1</b>	<b>147,689.7</b>

Unless otherwise indicated, appropriations from the general fund revert to the general fund at the end of FY04. Exceptions included higher education institutions and the State Department of Public Education.

Finally, the bill includes the LFC recommendation for use of the Tobacco Settlement Program Fund. The committee recommends legislation that will distribute revenue now paid into the Tobacco Settlement Permanent Fund to the Tobacco Settlement Program Fund for a period of two years. The committee recommends \$21.4 million of the FY04 Tobacco Settlement Program Fund revenue (representing the amount ordinarily earmarked to the tobacco settlement permanent fund) be appropriated to temporarily supplant general fund appropriations to the Human Services Department for use in the Medicaid program.

<b>TOBACCO SETTLEMENT REVENUE APPROPRIATIONS</b> (Dollars in Thousands)	
<b>Department of Health:</b>	
Tobacco cessation and prevention	6,000.0
Diabetes prevention and control	1,000.0
HIV/AIDS services	470.0
Total Department of Health	7,470.0
<b>Human Services Department:</b>	
Various Medicaid programs	30,423.1
<b>Veterans Service Commission:</b>	
Assisted living program for veterans with lung disease	600.0
<b>University of New Mexico:</b>	
Health Sciences Center programs	4,400.0
<b>GRAND TOTAL</b>	<b>42,893.1</b>

**DUPLICATION/CONFLICT**

House Bill 7 duplicates Senate Bill 2 and conflicts with House Bill 2. House Bill 2 represents the Executive’s recommendations for funding operations of state government.

**CTF/prr**  
Attachments